

TO: All Chief Elected Officials and
WIA Steering Committee Members

FROM: Craig E. Hartzer, Commissioner

DATE: May 21, 1999

SUBJECT: DWD Communications Policy: # 98-65
Identifying Eligible Training Providers
under Workforce Investment Act

Re: Workforce Investment Act Funding

Purpose: The purpose of this communication is to provide updated policies and guidelines for the local Workforce Investment Boards (WIBs) to use in identifying eligible training providers and to establish processes and procedures for the certification of those training providers by the WIBs and the State. **This new policy does not conflict with anything you may have initiated under the old policy. It clarifies and in some instances simplifies any future activity.**

Rescissions: This DWD Communication replaces DWD Communication #98-45 issued on March 2, 1999. This communication significantly modifies communication #98-45. It is strongly recommended that the new communication policy be read in its entirety. Major areas for changes include:

Training Programs from Community Based Organizations,
Definition of "program of training services",
Fully functioning Consumer Reporting System,
Data to be included on the training provider list submitted by the WIBs to the State,
Who the WIBs submit the training provider lists to,
Clarification on out-of-state training providers and training providers located in other WIBs,
Exception of Higher Education Act and National Apprenticeship Act training programs
submitting performance data during the first year of WIA,
Statistical (performance) data reduced from 5 years to 1 year,
Acceptable reasons for denial of a training program,
The wording on the appeal rights has been cleaned up to correct typographical errors and
confusing language,
Other wording has been changed to add clarity and meaning to the policy.

Content:

Overview

The Workforce Investment Act of 1998 mandates "an individual training account system" (ITA) that requires one stop operators to provide eligible customers with ITAs to pay for training at the educational institution of their choice. The Workforce Investment Act also mandates that local WIBs in conjunction with the State develop and disseminate an eligible training provider list that allows the customer to make an informed decision from qualified training entities. This policy

addresses initial and subsequent eligibility for training providers, the training provider list and the appeal process.

For matters of administration the State of Indiana will be represented by the Department of Workforce Development. All matters assigned to the State by this policy will be the responsibility of the Department of Workforce Development.

Who qualifies as a training provider?

The intent of the Workforce Investment Act is to allow the job seeker that qualifies for training services through WIA to have freedom of choice in selecting any qualified training provider. The Act also intends for the job seekers to make their decisions based on actual performance criteria. Therefore, the training provider list should provide as many qualified training providers as possible with associated performance data. This allows the trainees to make informed decisions when selecting a training provider.

There are two stages of eligible training provider determination, the initial application (first year of application for a specific training program) and the subsequent application or re-certification (an annual redetermination).

Concerning the initial eligibility determination, the following entities will qualify as training providers as long as they make application as prescribed by the State and local WIB.

- _. All programs provided by postsecondary educational institutions under Title IV of the Higher Education Act of 1996 that lead to associate degrees, baccalaureate degrees and/or certificates, and
- _. All programs provided under the National Apprenticeship Act.

In addition, any training program from any training provider may also be approved as long as they make application as prescribed and as long as their performance data meets the approval of the WIB.

What is the initial application process for training providers?

The WIBs will be responsible for notifying training entities in their area of the opportunity to apply for status as approved training providers. At the discretion of the WIB, it may also solicit training providers from outside of the Workforce Investment Area, including training providers located in other states. This solicitation may be done through a combination of direct mailings, newspaper notices and other appropriate means. The WIB will be responsible for ensuring that the training providers have access to the format/forms for making application and to a list of demand occupations for its area. The demand occupation list is important because WIA requires training funds to be used to train people for demand occupations. The demand occupation list tells training entities where training funds will be used. The demand occupation list will be compiled from projection models and information obtained locally regarding retirements and turnover rates for specific industries and occupations. WIBs may narrow the occupation list to those occupations that are most advantageous to the local economy, pay good wages and benefits, and/or can be trained for in a reasonable period of time.

The training provider should make application to the WIB in the area in which the training provider is located. They may make application to another WIB if their training program does not address a demand occupation in their local Workforce Investment area. The training provider must also make application for each program for which they wish to provide training services. Each WIB will be responsible for creating an application for training providers. Since the applications will result in a statewide list, a statewide standard is necessary. Such forms will comply with standards established by the State. The standards will allow for local customization, to allow the local WIBs to collect data beyond the State requirements. The WIBs may require the submission of their application on paper and/or electronic media to facilitate easy compilation of the data needed for the statewide training provider list.

The WIB must provide their initial training provider data to the State twenty-one calendar days prior to the end of the calendar quarter (June 9, 1999). This initial closing date will allow the State the necessary time to certify, compile and publish the statewide list by June 30, 1999. Training providers will be eligible to apply throughout the year. At a minimum, the State will publish a new/revised quarterly training provider list on July 1, October 1, January 1 and March 1. These lists will include training provider information provided to the State by the WIBs a minimum of twenty-one calendar days prior to the scheduled publish date. Training providers will be approved training providers upon publication in the statewide list. This will begin with the first day of the calendar quarter after they were certified by the WIB.

What about out-of-state training providers? Can they be on the statewide list of approved training providers?

Under normal situations the states are to reach reciprocal agreements that allow the use of training providers from each other's statewide lists. Since Indiana is an early implementation state and most of our border states are not early implementers, the reciprocal approach will not work for the first year of operation. WIBs that normally deal with out-of-state training providers should solicit application from those out-of-state providers. If approved by the WIB and State they will then appear on Indiana's statewide list of eligible training providers.

What about training programs from Community Based Organizations (CBO)? Can they be placed on the Eligible Training Provider List?

Training programs from CBOs may be approved for the eligible training provider list. The WIBs should consider the following points in addition to the "normal items" in determining the appropriateness of the CBO training programs for the eligible training provider list.

- _. Is the training available to the general population or is it a specialized program for selected portions of the population?
- _. Is the registration for the class open to all or is inclusion the result of a special project?
- _. Is the class given on a regular schedule or is it a specially scheduled class?

Please keep in mind that the training classes on the eligible training provider list are to be available to all of our customers who are approved for training. If the CBO training programs generally meet this requirement they may be approved as eligible training providers. CBO training programs may also be considered for contracted training for special participant populations.

The Workforce Investment Act and the Interim Final Rules refer to an eligible training program as a "program of training services." What is a "program of training services"?

The Rules state: "A program of training services is: (a) One or more courses or classes that, upon successful completion, leads to: (1) A certification, an associate degree, or baccalaureate degree, or (2) A competency or skill recognized by employers, or (b) A training regimen that provides individuals with additional skills or competencies generally recognized by employers."

For the purpose of ITAs, a program of training services must also be generally available to the public, must have regularly scheduled training programs, and must result in a recognized certification or a specific certification of skills attainment.

Example: Some entities might offer classes in word processing or spreadsheets that are generally applicable across a wide range of occupations and do not result in a widely recognized "credential." Such classes would be intensive services, not training services.

What type of information is required by the State on the initial training provider application?

An appropriate portion of the following information is required from the training provider for initial certification. Providers should furnish as much as possible, give justification for missing or incomplete data and describe how they will collect missing data so that it will be available for re-certification purposes. For the initial certification during the first year of WIA, performance statistics for programs offered by postsecondary educational institutions under Title IV of the Higher Education Act of 1996 that lead to associate degrees, baccalaureate degrees and/or certificates, and all programs provided under the National Apprenticeship Act do not need to provide performance statistics.

- Training Provider Information
 - ▶ Institution Name and Mailing Address
 - ▶ Contact Name
 - ▶ Telephone Number
 - ▶ Fax Number (if available)
 - ▶ E-Mail Address (if available)
 - ▶ Web Site Address (if available)
- Program Description
 - ▶ Program Name
 - ▶ Prerequisites
 - ▶ Training Location(s)
 - ▶ Program Length
 - ▶ Program Synopsis (limited to 50 words)
- Program Costs
 - ▶ This figure should include all costs and should be as accurate as possible.
 - ▶ A brief description of the cost should include what is covered by the cost and what is not covered.
- Statistics (*For the initial application only, this information is not mandatory for Higher Education Act and National Apprenticeship Act training programs.*) DWD, in partnership

with the WIBs will establish performance levels for these items over the next few months.

- ▶ Program Completion Rates for all individuals participating in the applicable program conducted by the institution. The raw numbers (total participants and total participants that completed the program) and the completion percentage. These figures should reflect training in the applicable program over the most recent year.
- ▶ The rate of all individuals participating in the applicable program who obtain unsubsidized employment within six months (plus or minus) of program completion. The raw numbers (total completers and total completers that obtained unsubsidized employment) and the unsubsidized employment percentage. These figures should reflect training in the applicable program over the most recent year.
- ▶ The percentage of individuals participating in the applicable program who obtain unsubsidized employment in an occupation related to the program. The raw numbers (total completers and total completers that obtained unsubsidized employment in related field) and the unsubsidized employment in related field percentage. These figures should reflect training in the applicable program over the most recent year.
- ▶ The wages at placement in employment of all individuals participating in the applicable program. Wages should be shown as hourly rates. Benefits should not be factored into the rate, but may be listed as an hourly benefit rate. These figures should reflect training in the applicable program over the most recent year.

The cost of a training program may vary from provider to provider because of what is included in the training cost. In addition costs often change over time. How do WIBs and their service providers address this issue?

One-Stop staff should advise those referred to training to check with the institutions to verify the current costs and to identify possible additional costs before making a final decision on a training provider. A possible example might be training for an automobile mechanic. School A offers the training for \$1,500 and School B offers the training for \$1,300. However, School A includes a \$400 set of tools and with School B the tools are an additional cost for the student.

Will a fully functioning Consumer Reporting System (CRS) be available on July 1, 1999 that will, at a minimum, display the WIA Approved Training Provider List and allow for comparison of training programs based on cost and performance data?

The state is looking at two separate automated CRSs. It is unlikely that either will be available for use before July 1, 1999. For initial implementation the CRS will consist of a statewide Eligible Training Provider List and ICIS (Indiana Career Information System - <http://icis.indiana.edu/>). The state will continue working toward a more automated/internet-based system for collecting and displaying information on training providers. We do strongly support the use of ICIS to secure career and educational information.

How often do training providers need to be certified?

Eligible training providers must be certified on an annual basis. The primary reasons for the re-certification are to verify that the training provider is still offering the training, to ensure that the information on the training and training provider is accurate, and to collect updated performance data to ensure that minimum State performance levels have been achieved, or that other performance levels endorsed by the State have been attained. When a training provider is

certified, the state will assign an expiration date. Twenty-one days prior to the expiration date, the WIB must provide the State with updates to the approved training provider list. This requires the WIB to establish a re-certification process for training providers. Failure to apply for re-certification will result in the expiration of the current certification and removal from the statewide approved training provider list.

The WIB and the State have the right to deny re-certification. The application and appeal processes will be the same as those for the certification process.

Subsequent Eligibility - What type of information is required for re-certification?

The following information is required from the training provider for subsequent or re-certification.

- _ All data required under the initial certification, plus
- _ The following additional statistics - DWD in partnership with the WIBs will establish performances levels for these items over the next few months:
 - ▶ The percentage of WIA subsidized participants who have completed the program and been placed in unsubsidized employment. These figures should reflect training by WIA applicants in the applicable program over the most recent year.
 - ▶ The percentage of WIA subsidized participants who are still in unsubsidized employment six months after the first day of employment. These figures should reflect training by WIA applicants in the applicable program over the most recent year.
 - ▶ The average wages of WIA subsidized participants' six months after the first day of employment. Wages should be shown as hourly rates. Benefits should not be factored into the rate, but may be listed as an hourly benefit rate. These figures should reflect training by WIA applicants in the applicable program over the most recent year.
 - ▶ Where appropriate, the rate of licensure or certification, attainment of academic degrees or equivalents or attainment of other measurable skills, of the WIA subsidized participants. These figures should reflect training by WIA applicants in the applicable program over the most recent year.
 - ▶ Other locally required data may be requested, but WIBs should weigh the value of the data against the cost for collection of such data, since they may be responsible for the cost of collecting such additional program related data. (*See Title I, Section 122(d)(3)*)

Under what conditions should a training program be denied?

A training program may be denied certification for the following reasons:

- _ The application is not complete or is not submitted in a timely manner,
- _ The program does not meet the definition of WIA Training Services,
- _ The performance data is not included with the application or the performance data does not meet established performance levels. (Note: The performance data may be waived for the year of initial eligibility.),
- _ The training program does not support the demand occupations for the area,
- _ The training provider is delinquent in delivery of reports, payment of debt, or otherwise out of compliance with the Act, regulations, or any agreement executed under WIA.
- _ The training provider is not current in the payment of unemployment insurance contributions or reimbursements, or
- _ Any other requirement for training program under the Workforce Investment Act of 1998 is

not met.

The State also has the responsibility to remove training providers from the approved training provider list under the following conditions:

- _. The State shall remove a training provider from the approved training provider list if it is determined that the training entity intentionally supplied inaccurate information.
- _. The State may remove a training provider from the approved training provider list if it is determined that the training entity substantially violated any requirement under the Workforce Investment Act of 1998.

What if the training entity does not have the required performance data?

The requirement for performance data may be waived by the WIB upon a showing of good cause. Good cause shall be limited to 1) the training program is new and there is no past performance (initial eligibility only), 2) collection of any data beyond the minimum required by law will cause excessive costs and/or hardship for the training provider; and 3) WIA specific data (for re-certification) is not available because insufficient time has elapsed to have completers.

If the training provider does not have the required performance data, it must provide the data that is available and must provide written justifications for the missing data. The provider must also indicate how it will track and record the data necessary for re-certification. The WIB must document and retain their reasoning for waiving the performance data requirement.

The performance data is not required for initial certification for training programs leading to a certificate or degree under Title IV of the Higher Education Act and for training programs under the National Apprenticeship Act.

How does a training entity know that its training program(s) has been approved?

Upon a determination by the WIB that an application by a training provider for a specific program and location does not meet the eligibility requirements set forth in the law or state/local policy, the WIB shall promptly (within ten workdays) issue a determination denying (denial notice) the application. A separate denial notice will be required for each training program denied. Such denial notice shall be mailed to the training provider at the address listed on the application and to the attention of the contact person identified on the application, shall clearly display the "date mailed" on the denial notice, and shall clearly identify the program and location that was denied and the specific reason for the denial. The denial notice shall also clearly state that the training entity has the right to appeal to the local WIB within fourteen (14) calendar days of the date the denial notice is mailed.

The State, upon receipt of the WIB training provider list and after appropriate evaluation of such lists, shall promptly issue determinations to any training provider that the State removes from the WIB training provider list. The State shall follow the same guidelines outlined above for the WIB training program denial process. If the State does not send a denial notice within thirty (30) days after the submission of the WIB training provider list, the training program is automatically approved and will be published in the state approved training list.

What data must be included on the approved training provider list submitted by the WIBs to the State?

All of the State required data (*See page 3 & 4 - What type of information is required by the State on the initial training provider application?*) for the locally approved training providers must be submitted. Information concerning training providers denied inclusion on the approved training provider list are not to be submitted, but must be retained by the WIB.

Where should the WIBs mail the local approved training provider lists?

The WIBs should mail or otherwise deliver the local approved training provider lists to:

Director of Policy and Planning
Department of Workforce Development
10 North Senate Avenue
Indianapolis, IN 46204

What appeal rights do the training providers have?

Training providers can have a training program denied inclusion in the statewide training provider list by either the local WIB or the State. The State also has the right to remove the training provider from the training provider list if it is determined that the provider knowingly supplied inaccurate information or otherwise violated requirements under the Workforce Investment Act. The training provider has appeal rights to all of these denials.

The training provider has fourteen (14) days from the mailing of a notice containing the denial of a training program in which to file an appeal to the originator of the notice (WIB or State). The request for appeal must clearly indicate that the training provider wants to appeal the denial and must clearly identify the training program and its location being denied. The request for appeal must be signed and should include the reasoning for the appeal. Such appeal must be submitted in writing.

The WIB or State (as appropriate) will review the request for appeal and based on this review may reverse their original decision if an administrative error was made or if additional information submitted by the training provider changes the basis on which the original decision was issued. This initial process will be referred to as an administrative reconsideration and must be completed within five (5) workdays of the receipt of the request for appeal.

If the WIB reverses a prior decision, the WIB will forward the request with a copy of the appeal file to the State for inclusion on the statewide list and will also notify the training entity in writing that they have reversed their original decision and have forwarded the request to the State. If the State reverses its prior decision, the State will notify both the WIB and the training provider of the reversal and will follow the appropriate procedures to incorporate the training provider into the statewide list.

If after the review process, the WIB or State does not reverse their original decision, they must forward the appeal to the DWD Legal Section. This must be done within five workdays of the receipt of the letter requesting the appeal. The DWD Legal Section will conduct a hearing at which the training provider and party denying the training request (WIB or State) will be allowed to present their cases. The DWD Legal Section will issue an independent decision based on the information gathered at the hearing. A written decision will be issued to the training provider and other interested parties.

If the DWD Legal Section reverses the denial, the WIB and/or State will comply with the decision in a prompt and efficient manner. Procedures outlined above for certifying training programs,

inclusion of the training program in the statewide list, and written notification to the training provider will be followed.

The DWD Legal Section's decision will be final.

Effective Date: Immediately upon issuance. **Note:** Additional requirements included in this communication do not apply to training providers that were solicited under DWD Communications Policy #98-45. Portions of this communication that lessen the requirements on the training providers solicited under DWD Communication Policy #98-45 will apply.

Ending Date: June 30, 2004

Action: Please review this policy for Identifying and Certifying Training Providers under the Workforce Investment Act. Chief Elected Officials and WIA Steering Committee members should insure that all appropriate people in their respective areas have copies of this policy and use the guidance provided in the policy for identifying and certifying training providers, the issuance of local WIB policies, and other such activities as appropriate.

Attachment 1:

SAMPLE
Initial Application to Provide Training Services
Under the Workforce Investment Act of 1998

Training Provider Information:

Institution Name:
Institution Address Line 1:
Institution Address Line 2:
City, State, Zip Code:

Contact Person:
Telephone Number:
Fax Number:
E-Mail Address:
Web Site Address:

Program Description:

Program Name:
Prerequisites:
Training Location(s):
Program Length:
Program Synopsis:

Program Costs:

Statistics (Not required for Higher Education Act and National Apprenticeship Act training programs during the first year of WIA):

Completion Rate:
Total Participants:
Completers:
Percentage:

Employment Rate:
Total Participants:
Total Employed:
Percentage:

Related Employment Rate:
Total Participants:
Total Employed:
Percentage:

Wages:
Beginning Hourly Rate:

For any items that are left blank, provide a reason and indicate how such data will be collected in the future for re-certification purposes.

Training
Pro

yes

WIB or State
Perform
Administrative
Reconsideration

Rec
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no

no

Reversed

yes

Reversal
Notice

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END

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Notice

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